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Before the  
Federal Communications Commission  
Washington, DC 20554

NOV 2 2000

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

DOCKET FILE COPY ORIGINAL

In the Matter of	)	
Applications of Ameritech Corp., Transferor,	)	CC Docket No. <u>98-141</u>
And SBC Communications, Transferee, For	)	
Consent To Transfer Control Of Corporations	)	ASD File 99-49
Holding Commission Licenses And Lines	)	

**WORLDCOM COMMENTS IN SUPPORT OF THE PETITION FOR  
RECONSIDERATION OF THE COMPETITIVE  
TELECOMMUNICATIONS ASSOCIATION**

WorldCom, Inc. ("WorldCom") hereby submits its comments in support of the petition for reconsideration, filed by the Competitive Telecommunications Association ("CompTel"), regarding the Commission's recent modification of the merger conditions of SBC Communications ("SBC") in its *SBC Plug & Play Order*.<sup>1</sup> WorldCom agrees that ambiguities in the *SBC Plug & Play Order* mean that the *Order*'s nominal protections will not make up for the protections lost by the Commission's decision to wave certain conditions designed to protect competition. Accordingly, WorldCom respectfully requests that the Commission revisit the relevant sections of the *SBC Plug & Play Order* in order to provide an express statement that competitive local exchange carriers ("CLECs") are entitled to products and service offerings on the same basis that SBC incumbent local exchange carriers ("ILECs") makes them available to the advanced services affiliate.

<sup>1</sup> *Applications of Ameritech Corp., Transferor, and SBC Communications, Inc., Transferee, For Consent to Transfer Control of Corporations Holding Commission Licenses and Lines Pursuant to Sections 214 and 310(d) of the Communications Act and Parts 5, 22, 24, 25, 63, 90, 95, and 101 of the Commission's Rules*, CC Docket 98-141, Second Memorandum Opinion and Order, FCC 00-336 (rel. Sept. 8, 2000) ("*SBC Plug & Play Order*") (Note that this Order is also referred to as the "Pronto Modification Order" in CompTel's Petition for Reconsideration).

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CompTel argues that the Commission should affirmatively rule on whether SBC's so-called "Broadband Offering" is subject to sections 251 and 252 of the Telecommunications Act of 1996.<sup>2</sup> WorldCom joins CompTel's request that the Commission should make clear that sections 251 and 252 apply to SBC's Broadband Offering. This guidance would be valuable to state commissions considering the sufficiency of that offering, and would allow state proceedings to be concluded more efficiently, predictably, and uniformly. The Commission stated in its order that it need not address section 251 and 252 issues because "[s]uch issues may be raised in state proceedings relating to the proposed amendments in the interconnection agreements."<sup>3</sup> However, it makes more sense for the Commission to resolve the threshold question on a consistent SBC-wide basis, thereby avoiding the costs, delays, and uncertainty of piecemeal litigation on a state-by-state basis.

Indeed, it would be appropriate for the Commission to decide not only whether sections 251 and 252 apply but whether SBC's Broadband Offering complies with them. SBC's promises can make up for the loss of protection from waived conditions only if, and to the extent that, they provide more than, or at least as much as, SBC would otherwise be obligated to offer. As CompTel points out, the Commission avoids deciding whether sections 251 and 252 of the Act apply because it found that SBC "has committed to providing all carriers nondiscriminatory access to its Broadband Offering and to making available all technically feasible features, functions, and capabilities."<sup>4</sup> However, the devil is in the details, and the critical issue is whether SBC's notion of what it means

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<sup>2</sup> CompTel Petition at 2.

<sup>3</sup> *SBC Plug & Play Order* at para. 30.

<sup>4</sup> CompTel Petition at 2 (Quoting *SBC Plug & Play Order* at para. 20).

to make available “all technically feasible features, functions, and capabilities” complies with its carrier-based obligations under the Act, including a reasonable and nondiscriminatory definition of technical feasibility and cost-based prices. In any event, reliance on SBC’s voluntary commitments will not provide the necessary certainty and predictability. SBC’s voluntary statements are useful only insofar as SBC lives up to them, and as WorldCom noted in its August 18, 2000 ex parte to the Commission, SBC has fallen far short in satisfying its obligation not to discriminate against CLECs seeking to provide advanced services.<sup>5</sup>

Unfortunately, SBC’s conduct offers little hope that it will truly open up its market and treat its advanced services affiliate on a nondiscriminatory basis. For example, SBC’s advanced services affiliate was recently required to provide the California Public Utilities Commission with a status report on the number of advanced services lines it was able to provision within a six-week time frame in June and July, 2000. As WorldCom noted in its ex parte:

SBC’s advanced service affiliate, SBC Advanced Solutions, Inc. (SBC-ASI), and Pacific Bell Telephone Company (Pac Bell), both of which are SBC-derived companies, have “implemented a mechanized process for ordering line sharing, which was designed to meet the specifications of Pacific’s electronic interface for ordering unbundled network elements.”<sup>6</sup> In the time period between June 6 and July 20, 2000, SBC-ASI claims that it and Pac Bell processed over 20,000 requests for line shared service.<sup>7</sup>

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<sup>5</sup> See Letter from Cristin Flynn, Associate Policy Counsel, WorldCom to Magalie Roman Salas, Secretary, Federal Communications Commission, CC Docket Nos. 98-147, 96-98, and 98-146 (August 18, 2000) (“Flynn Letter”) (Annexed hereto as Attachment A).

<sup>6</sup> Status Report of Line Sharing by SBC Advanced Solutions, Inc., *Rulemaking on the Commission’s Own Motion to Govern Open Access to Bottleneck Services and Establish A Framework for Network Architecture Development of Dominant Carrier Networks*, California Public Utilities Commission, Rulemaking 93-04-003, Investigation 93-04-002 (Line Sharing Phase) July 20, 2000, at 1 (“SBC-ASI Status Report”).

<sup>7</sup> *Id.* Pac Bell, however, noted in its filing that it had successfully provisioned and completed “more than 8,000 local service requests” for shared line service from June 6 to July 17, 2000. See Status Report By Pacific Bell, *Rulemaking on the Commission’s Own Motion to Govern Open Access to Bottleneck Services and Establish A*

What SBC's advanced service affiliate does not state is how much it spent on the development of a mechanized ordering process, and how much of that cost was carried by Pac Bell (both of which are SBC companies). However, it is entirely unclear, and the Commission should inquire, as to whether the process, or the mechanized ordering interface itself, were provided to CLECs or DLECs. Moreover, it is not clear whether Pac Bell worked out the operational issues of this mechanized ordering process in conjunction with all CLECs and DLECs, or in clandestine and discriminatory fashion, simply with its advanced service affiliate.

Pac Bell is also silent on the fact that during the time it provisioned 20,000 loops with its advanced service affiliate, it "has not provisioned a *single* line shared loop for any of the DLECs in California. The complete absence of line sharing for DLECs since the FCC's deadline is attributable to DLECs' inability to place orders with Pacific."<sup>8</sup> This obvious disparity also requires immediate inquiry by the Commission. The DLECs note that GTE has not provided far greater service – "there are fewer than 10 shared loops that have been ordered and become operational since the FCC's deadline."<sup>9</sup> Moreover, requests for line sharing at adjacent collocation sites were flatly rejected by Pac Bell.<sup>10</sup>

At a minimum, these circumstances call into question whether SBC has "committed to providing all carriers nondiscriminatory access to its Broadband Offering and to making available all technically feasible features, functions, and capabilities." Examples like this demonstrate how the current atmosphere of regulatory uncertainty can inflict extensive damage on competition. Without a clear statement of the status of SBC's broadband offering under

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*Framework for Network Architecture Development of Dominant Carrier Networks*, California Public Utilities Commission, Rulemaking 93-04-003, Investigation 93-04-002 (Line Sharing Phase) July 20, 2000, at 3 ("*Pac Bell Status Report*").

<sup>8</sup> Status Report of Covad Communications, Inc., Rhythms Links, Inc., and NorthPoint Communications, Inc., *Rulemaking on the Commission's Own Motion to Govern Open Access to Bottleneck Services and Establish A Framework for Network Architecture Development of Dominant Carrier Networks*, California Public Utilities Commission, Rulemaking 93-04-003, Investigation 93-04-002 (Line Sharing Phase) July 20, 2000, at 4 ("*DLECs Status Report*").

<sup>9</sup> *Id.* at 5.

<sup>10</sup> *Id.* at 7.

sections 251 and 252, and the application of these sections to this offering, competitors will continue to be frustrated in their attempts to compete against SBC's advanced services. Where state commissions should be able to look to the Commission to provide an over-arching policy to guide state decisions with respect to SBC's Project Pronto, states are instead left to create, at best, a patchwork of regulations, and at worst, left to maintain a landscape that is devoid of competition in the advanced services area.

Consumers and small businesses will benefit if the Commission reviews SBC's "broadband offering." Recent FCC reports indicate that consumer interest in broadband services continues to grow.<sup>11</sup> Commission oversight would facilitate line sharing and line splitting, which will give consumers a competitive choice in the services they want. SBC has failed to show a commitment to a competitive broadband market. SBC's prohibitive collocation policies and restricted access to remote terminals could be eliminated with proper Commission oversight with respect to the SBC-Ameritech merger conditions.<sup>12</sup> Project Pronto could be an opportunity for SBC, consumers, and CLECs alike in the advanced services area, if the Commission were willing to review SBC's offering.

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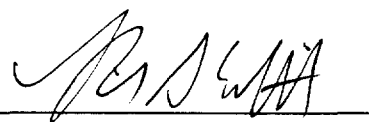
<sup>11</sup> See, e.g., FCC News, *Federal Communications Commission Releases Data on High-Speed Services For Internet Access* (rel. Oct. 31, 2000) at 1 ("High-Speed Lines to the Internet Increased 57% During the First Six Months of Year 2000 For a Total of 4.3 Million Subscribers").

<sup>12</sup> See Comments of WorldCom, Inc., CC Docket Nos. 98-147, 96-98, dated October 10, 2000 (noting that under Project Pronto, SBC permits limited opportunities to collocate in remote terminals, and will not provide adequate dark fiber to backhaul that traffic to a central office).

The Commission should favorably rule on CompTel's petition for reconsideration in light of the factors set forth above.

Respectfully submitted,

WORLD.COM, INC.

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Dated: November 2, 2000

# **Attachment A**

**MCIWORLD.COM**

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**ORIGINAL**

**Cristin L. Flynn**  
Associate Policy Counsel

1801 Pennsylvania Avenue, NW  
Washington, DC 20006

August 18, 2000

Ms. Magalie R. Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington DC, 29554

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Re: CC Docket Nos. ~~98-147~~/96-98, and 98-146  
*In the Matter of Deployment of Wireline Services Offering  
Advanced Telecommunications Capability and Implementation of the  
Local Competition Provisions of the Telecommunications Act of 1996*

Dear Ms. Salas:

WorldCom, Inc. (WorldCom) strongly supports action by the Commission that facilitates competitive local exchange carriers (CLECs) to line "share" or line "split" over the unbundled network element platform (UNE-P). WorldCom has argued in past pleadings and in *ex partes* before Commission staff that local competition would be severely stifled if definitive action is not taken that permits CLEC to CLEC line splitting.

For a host of reasons ranging from anticompetitive to irrelevant, the incumbent local exchange carriers (ILECs) continue to deny CLECs the right to line split over the UNE platform. Meanwhile, SBC's advanced service affiliate, SBC Advanced Solutions, Inc. (SBC-ASI), and Pacific Bell Telephone Company (Pac Bell), both of which are SBC-derived companies, have "implemented a mechanized process for ordering line sharing, which was designed to meet the specifications of Pacific's electronic interface for ordering unbundled network elements."<sup>1</sup> In

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<sup>1</sup> Status Report of Line Sharing by SBC Advanced Solutions, Inc., Rulemaking on the Commission's Own Motion to Govern Open Access to Bottleneck Services and Establish A Framework for Network Architecture Development of Dominant Carrier Networks, California Public Utilities Commission, Rulemaking 93-04-003, Investigation 93-04-002 (Line Sharing Phase) July 20, 2000, at 1 (SBC-ASI Status Report).



the time period between June 6 and July 20, 2000, SBC-ASI claims that it and Pac Bell processed over 20,000 requests for line shared service.<sup>2</sup>

What SBC's advanced service affiliate does not state is how much it spent on the development of a mechanized ordering process, and how much of that cost was carried by Pac Bell (both of which are SBC companies). However, it is entirely unclear, and the Commission should inquire, as to whether the process, or the mechanized ordering interface itself, were provided to CLECs or DLECs. Moreover, it is not clear whether Pac Bell worked out the operational issues of this mechanized ordering process in conjunction with all CLECs and DLECs, or in clandestine and discriminatory fashion, simply with its advanced service affiliate.

Pac Bell is also silent on the fact that during the time it provisioned 20,000 loops with its advanced service affiliate, it "has not provisioned a *single* line shared loop for any of the DLECs in California. The complete absence of line sharing for DLECs since the FCC's deadline is attributable to DLECs' inability to place orders with Pacific."<sup>3</sup> This obvious disparity also requires immediate inquiry by the Commission. The DLECs note that GTE has not provided far greater service – "there are fewer than 10 shared loops that have been ordered and become operational since the FCC's deadline."<sup>4</sup> Moreover, requests for line sharing at adjacent collocation sites were flatly rejected by Pac Bell.<sup>5</sup>

The Commission's professed goal in permitting both line sharing and line splitting is to bring competitive provision of broadband access to as many Americans in as short a time frame as possible. However, if SBC continues to hide its ordering interfaces in the advanced service

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<sup>2</sup> Id. Pac Bell, however, noted in its filing that it had successfully provisioned and completed "more than 8,000 local service requests" for shared line service from June 6 to July 17, 2000. See Status Report By Pacific Bell, Rulemaking on the Commission's Own Motion to Govern Open Access to Bottleneck Services and Establish A Framework for Network Architecture Development of Dominant Carrier Networks, California Public Utilities Commission, Rulemaking 93-04-003, Investigation 93-04-002 (Line Sharing Phase) July 20, 2000, at 3 (Pac Bell Status Report).

<sup>3</sup> Status Report of Covad Communications, Inc., Rhythms Links, Inc., and NorthPoint Communications, Inc., Rulemaking on the Commission's Own Motion to Govern Open Access to Bottleneck Services and Establish A Framework for Network Architecture Development of Dominant Carrier Networks, California Public Utilities Commission, Rulemaking 93-04-003, Investigation 93-04-002 (Line Sharing Phase) July 20, 2000, at 4 (DLECs Status Report).

<sup>4</sup> Id. at 5.

<sup>5</sup> Id. at 7.

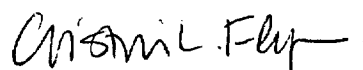
affiliate and unnecessarily complicate and delay DLEC deployment, then consumers, as usual in the local market, will have only one alternative: the ILEC. There is ample support for the Commission's conclusion that ILECs outstrip CLECs and DLECs in xDSL deployment in the consumer market at a 17:1 ratio.<sup>6</sup>

As is evidenced by recent events in California, that already-troubling ratio now stands at 20,000:0. This is entirely unacceptable. The Commission must take action to permit CLEC competitive entry into the shared line service market immediately. Whether it is called line splitting or line sharing, the ability of CLECs to partner amongst themselves to provide both voice and data services to consumers via UNE-P is critical to lessening the monopoly control that ILECs maintain over the local loop bottleneck. This control hurts consumers, and especially those who want to access the Internet via the provider of their choice, with the voice carrier of their choice.

The Commission is therefore encouraged to render a decision in the Line Sharing proceeding and permit CLEC to CLEC line splitting over UNE-P. To that end, the ILECs must be compelled to facilitate CLEC to CLEC line splitting by providing ILEC-owned splitters in ILEC-controlled areas and completing the necessary cross-connects and mechanized ordering interfaces that (in the case of SBC) they have clearly been able to complete for their own internal ordering processes.

The status reports referenced in the notes below are annexed as exhibits 1 through 3.

Very truly yours,



Cristin L. Flynn

cc: Kathy Farroba  
Jon Reel  
Jessica Rosenworcel  
John Stanley  
Margaret Egler

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<sup>6</sup> Deployment of Wireline Services Offering Advanced Telecommunications Capability, Third Report and Order, CC Docket No. 98-147, (December 9, 1999), at ¶ 32 (Line Sharing Order).

**MCI WORLD COM**

**Cristin L. Flynn**  
Associate Policy Counsel

1801 Pennsylvania Avenue, NW  
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Claire Blue  
William Dever  
Douglas Sicker  
Jake Jennings  
William Kehoe

## Exhibit 1

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Rulemaking on the Commission's	)	Rulemaking 93-04-003
Own Motion to Govern Open Access	)	
to Bottleneck Services and	)	
Establish a Framework for Network	)	
Architecture Development of	)	
Dominant Carrier Networks.	)	
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Investigation on the Commission's	)	Investigation 93-04-002
Own Motion Into Open Access and	)	
Network Architecture Development	)	(Line Sharing Phase)
of Dominant Carrier Networks.	)	
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Status Report of Line Sharing by  
SBC Advanced Solutions, Inc.

Exhibit No. \_\_\_\_\_

Pursuant to Arbitrator's Ruling dated June 30, 2000, SBC Advanced Solutions, Inc. ("SBC-ASI"), hereby submits the following status report of line sharing in California.

SBC-ASI has successfully processed in excess of 20,000 requests for line sharing in California with Pacific Bell Telephone Company ("Pacific") since June 6, 2000. SBC-ASI has implemented a mechanized process for ordering line sharing, which was designed to meet the specifications of Pacific's electronic interface for ordering unbundled network elements. SBC-ASI engaged a third party vendor, Telecordia Technologies, to format its local service requests ("LSRs") to meet Pacific's specifications and transmit them to Pacific via its E-LINK system. This mechanized process has been utilized by SBC-ASI

since June 6, 2000. As with any new mechanized process, SBC-ASI initially encountered data processing problems that resulted in low acceptance rates of its LSRs. However, these rates have improved as the process has matured and system edits have been implemented. SBC-ASI will continue to work with Pacific to improve and refine the process for ordering and implementing line sharing in California.

Dated: July 20, 2000

Respectfully submitted,

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## Exhibit 2

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Rulemaking on the Commission's Own Motion )	
to Govern Open Access to Bottleneck Services )	Rulemaking 93-04-003
and Establish a Framework for Network )	
Architecture Development of Dominant Carrier )	
Networks. )	
_____ )	(Line Sharing Phase)

Investigation on the Commission's Own Motion )	
into Open Access and Network Architecture )	Investigation 93-04-002
Development of Dominant Carrier Networks. )	
_____ )	

**STATUS REPORT ON LINE SHARING**  
**BY PACIFIC BELL TELEPHONE COMPANY (U 1001 C)**

Pursuant to the Arbitrator's invitation and Ordering Paragraph 1 of the Arbitrator's Ruling dated June 30, 2000 (Arbitrator's Ruling), Pacific Bell Telephone Company (Pacific) provides the following status report on line sharing in California.

**I. INTRODUCTION**

The FCC issued a decision last December requiring incumbent local exchange carriers (ILECs) to provide competitors access to the high frequency portion of the local loop (HFPL) by June 6, 2000.<sup>1</sup> The California Legislature also expressed its desire to have line sharing implemented in California consistent with the FCC's order.<sup>2</sup> These expectations have been met in California.

<sup>1</sup> Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket 98-147, Third Report And Order in CC Docket No. 98-147 and Fourth Report and Order in CC Docket No. 96-98, FCC 99-355 (Rel. Dec. 9, 1999) (Line Sharing Order).

<sup>2</sup> California Public Utilities Code § 709.7.



The Commission instituted an arbitration, and a Final Arbitrator's Report was issued on May 26, 2000. Six competitive local exchange carriers (CLECs) signed line sharing appendices with Pacific, which conform to the FAR and which were filed with the Commission on June 2, 2000.<sup>3</sup> These appendices became effective on June 6, 2000. Below, Pacific offers more detailed information on how line sharing is progressing.

## **II. LINE SHARING HAS BEEN SUCCESSFULLY IMPLEMENTED AND IS EXPANDING.**

Prior to June 6, 2000, all of Pacific's central offices were capable of line sharing if CLECs provided their own splitter and submitted timely applications for cable augment work or redesignation of cabling. Pacific has completed over 380 line sharing collocation applications.

Pacific has also been quickly equipping offices with splitters for those CLECs who prefer to take advantage of Pacific's voluntary offer to provide the splitter a port at a time, rather than provide the splitter themselves. Pacific developed a schedule for installing ILEC-owned splitters, which is based on priorities voiced by the CLECs. All of the offices that were scheduled for splitter installation in June -- approximately 100 -- have been completed. This represents about a third of the total number of offices on the schedule. In these offices, there were approximately 716 shelves installed as of July 11, 2000, or 68,736 Pacific-owned splitter ports available for line sharing. The next third of the scheduled offices will be complete by July 27, 2000 and the final third by August 27, 2000.

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<sup>3</sup> FirstWorld Communications, Inc.; NorthPoint Communications, Inc.; Pac-West Telecomm; Rhythms Links, Inc.; SBC Advanced Solutions, Inc.; and Covad Communications Company.

As of July 17, 2000, Pacific has successfully provisioned and completed more than 8,000 local service requests (LSRs) for line sharing.<sup>4</sup> The vast majority of these requests were from ASI; unaffiliated CLECs have submitted relatively few LSRs. Pacific's mechanized order processing systems are supporting these LSRs. The same service order systems are available for use by all CLECs, including ASI.

SBC continues to host weekly collaborative line sharing meetings to discuss and resolve systems, network, and engineering line sharing issues, including issues related to California. These meetings address technical issues that arise with initial implementations and seek consensus on appropriate technical solutions.

### **III. EXHIBIT IDENTIFICATION**

Pursuant to the Arbitrator's request, Pacific attempted to coordinate with all parties the identification of exhibit numbers for the line sharing status reports. On the morning of July 18, 2000, Pacific sent an e-mail message to counsel for all parties requesting that they inform Pacific as to whether any parties would be filing joint reports, as well as requesting proposed exhibit numbers for any individual reports. As of the time this document was finalized, only two parties--each filing an individual report--had responded to Pacific's request. Pacific therefore requests that its status report be marked for identification as an exhibit next in order following any jointly prepared reports which may be submitted. Pacific's agreement to mark all status reports for identification should not be considered a waiver of Pacific's right to object to the receipt of any report as evidence.

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<sup>4</sup> LSRs may contain line sharing requests for multiple lines. Therefore, the number of lines for which line sharing was provisioned may be greater than 8,000.

Dated: July 20, 2000

Respectfully submitted,

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Attorneys for Pacific Bell Telephone Company

## Exhibit 3

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Rulemaking of the Commission's Own Motion to	)	R.93-04-003
Govern Open Access to Bottleneck Services and	)	
Establish a Framework for Network Architecture	)	
Development of Dominant Carrier Networks.	)	<b>(Line Sharing Phase)</b>
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Investigation on the Commission's Own Motion into)	)	
Open Access and Network Architecture	)	I.93-04-002
Development Of Dominant Carrier Networks.	)	
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**JOINT REPORT ON STATUS OF LINE SHARING (EXH 3255)  
ON BEHALF OF**

**COVAD COMMUNICATIONS, INC. (U 5752 C)  
RHYTHMS LINKS, INC. (U 5813 C)  
NORTHPOINT COMMUNICATIONS, INC. (U 6226 C)**

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(415) 394-7505 (facsimile)

Dated July 20, 2000

Pursuant to the Arbitrator's Ruling dated June 30, 2000, Rhythms Links, Inc. (U-5813-C), Covad Communications, Inc. (U-5752-C), and NorthPoint Communications, Inc. (U-6226-C) ("Data CLECs" or "DLECs") hereby submit a joint report on the status of line sharing in California.

## **I. EFFORTS TO NEGOTIATE JOINT LINE SHARING REPORT**

Pursuant to the Arbitrator's Ruling dated June 30, 2000, the data CLECs Rhythms, NorthPoint and Covad met and conferred with Pacific Bell on July 14, 2000 in order to negotiate a joint status report. On the same day, Rhythms and Covad also met with GTEC for the same purpose. The DLECs, however, were unable to reach agreement upon a joint status report with either ILEC.

### **A. Pacific Bell**

The DLECs and Pacific had fundamentally different positions regarding the type and scope of status information that should be reported to the Commission in order to give an accurate picture of line sharing in California. Pacific suggested that it provide aggregate information for all carriers, including ASI. The DLECs all agree, however, that such reporting would be meaningless to both the CPUC and to the DLECs. Given that parity is the guiding standard continually articulated by both the FCC and this Commission, the status report must contain accurate comparisons *between* DLECs and ASI.

At first blush it might sound encouraging if Pacific Bell were to report that 300 line sharing orders were placed and 270 were provisioned. These figures, however, could be dangerously misleading. Clearly, if ASI placed 260 orders and every single order was provisioned, but yet Pacific failed to provision 75% of DLEC orders (provisioning only 10 of 40), then the line sharing picture would not be quite as pretty as initially imagined.

The DLECs, therefore, requested that Pacific Bell provide separate information, including volume,<sup>1</sup> relating to ASI and the DLECs. Alleging concerns about protecting the parties' proprietary information, Pacific Bell rejected the DLEC's request. Proprietary information protected by standard non-disclosure agreements ("NDAs") has been exchanged throughout this proceeding. Nonetheless, Pacific Bell was unable to explain why such NDAs would not protect the parties' proprietary information in this instance. The DLECs have an equal interest in safeguarding their proprietary information. DLECs suspect, however, that Pacific Bell and its "affiliate" ASI have entirely different reasons for wanting to "protect" themselves. If this Commission is truly interested in the status of line sharing, it must require that Pacific Bell and GTE provide data that actually speaks to the status. This data should be provided in a form that is most likely to aid the Commission and the parties in determining if the goals of the FCC's Line Sharing Order are being achieved in California. Competitors fear that such goals are far from being attained.

## **B. GTEC**

Rhythms and Covad were also unable to reach agreement with GTE. GTE indicated that it planned to focus its report on Operations Support Systems ("OSS") enhancements. The competitors, however, have no way of confirming that such enhancements have occurred, and in fact, the DLECs have experienced serious blockage problems on GTEC's website that cause hours of delay in attempting to complete loop qualifications. Thus, the DLECs did not want to "jointly" submit a report containing information that they simply cannot verify. As with Pacific Bell, competitors believe that statistical data regarding the current state of line sharing in California would be of much more use to the CPUC.

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<sup>1</sup> Pacific Bell balked at providing volume, stating that it was irrelevant. The aforementioned provisioning example,  
(Continued)

### **C. Information Needed**

If the ILECs have data demonstrating that competitive line sharing is alive and well in California, they should have no issue with providing this very useful and encouraging information to the Commission. If, however, the data demonstrate that the ILECs still hold a virtual monopoly on line shared loops, the Commission should be armed with this data now so that it may take steps to better effectuate the intent of the Line Sharing Order. The Commission will never know unless it orders the ILECs to provide detailed, relevant information.

The DLECs respectfully suggest that the Commission mandate that the ILECs provide the following information:

- The number of line sharing orders requested by competitors compared to the number requested by the ILEC or its affiliate.
- The number of the requested orders provisioned for competitors compared to the number provisioned for the ILEC or its affiliate.
- The number of central offices requested to be provisioned for line sharing by the ILEC or its affiliate compared to those requested by DLECs.
- The number of central offices actually provisioned for the ILEC or its affiliate compared to the number provisioned for each competitor.<sup>2</sup>
- The number of central offices deployed after the ILEC committed due date for the ILEC or its affiliate compared to those for DLECs.

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(Continued)

however, illustrates precisely why volume is crucial to any parity inquiry.

<sup>2</sup> The ILECs must make each requested central office line sharing ready for each requesting CLEC. It is not enough to report that a central office is capable-capable generally because the office may be ready for one CLEC using a particular configuration and unusable for other competitors.

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- The average line-shared loop provisioning interval for the ILEC or its affiliate compared to the same interval for competitors.
- The average tie cable augment interval for the ILEC or its affiliate compared to the same interval for competitors; and
- The average interval for access to loop provisioning information, and method used (e.g., mechanized or manual);

Pacific was unprepared to commit to provide any data other than the aggregate number of line shared loops operational in California for all carriers. Therefore, it is unclear whether Pacific's report will include any of them. GTEC committed to provide the number of line shared loops provisioned, the number of line shared loops pre-qualified, the number of COs where splitters have been provisioned, enhancements to the GTEC website to support loop qualification for line sharing; and GTEC's "SWAT" team.

## **II. NUMBER OF OPERATIONAL LINE SHARED LOOPS PROVISIONED SINCE FCC DEADLINE**

A month and one-half after the FCC's June 6, 2000 deadline, Pacific has not provisioned a *single* line shared loop for any of the DLECs in California. The complete absence of line sharing for DLECs since the FCC's deadline is attributable to DLECs' inability to place orders with Pacific. There is substantial reason to believe that Pacific's affiliate, Advanced Solutions, Inc. ("ASI") has a sizeable number of loops that have been provisioned during the same period, since Pacific indicated during the meet and confer with the DLECs that it did have data to report on operational line shared loops in California. If ASI does have numerous line shared loops, there is substantial reason to believe that ASI is receiving preferential treatment, and has access to superior pre-ordering, ordering and provisioning systems. Such a situation would be in direct violation of Pacific's obligations under state and federal law to treat unaffiliated DLECs in a

non-discriminatory manner. The serious difficulties encountered to date are discussed in detail below. It should be noted that the only line shared loops that are operational in Pacific's entire service area, are loops for ASI, or test loops that were provisioned during trials held earlier this year.

GTEC's performance has been somewhat better, but for all DLECs combined, there are fewer than 10 line shared loops that have been ordered and become operational since the FCC's deadline.

### **III. DIFFICULTIES CLCS HAVE ENCOUNTERED IN ORDERING AND PROVISIONING LINE SHARED LOOPS**

In an effort to make the Commission aware of the problems DLECs have encountered in attempting to order and provision line shared loops, the DLECs provide the following examples. These situations are not meant to represent an exhaustive list of difficulties, but rather are a representative sample of the most serious problems. It should not be assumed that all of the DLECs have experienced all of the problems discussed.

#### **A. ILEC Central Offices Not Ready For Line Sharing**

Alarming, serious difficulties regarding wiring procedures in Pacific central offices has prevented DLECs from being able to obtain line shared loops. SBC has informed DLECs that they had to place their line sharing orders in 100 pair increments located all on the same block, regardless of the SBC subsidiary from which CLEC planned to order. The SBC employees directing the DLECs to order in this fashion, however, were not aware of the unique wiring arrangements that some DLECs had negotiated with subsidiary ILECs. For example, Pacific Bell arranges wiring differently. Specifically, every 25th pair is not laid out on the block. Stated differently, some DLECs dedicate only 96 consecutive pairs instead of all 100 pairs on a single block. Consequently, if DLECs ordered in 100 pair increments, the pairs would reside on two

blocks. SBC informed the DLEC community if they failed to submit central office orders by dates certain, those central offices would be provisioned last. Therefore, the DLECs essentially had no choice but to order as SBC required (100 pair increments on a single block), despite the fact that DLECs' wiring arrangements with Pacific Bell would not support 100 pair increments on a single block.

DLECs informed Pacific Bell in May of this pair count issue, but were unable to make progress in resolving the issue until June. Some DLECs were forced to revise its pair counts for the applications already submitted. Pacific Bell has committed to wiring pursuant to the parties prior agreement and practice, but has informed DLECs that a thirty (30) day interval will apply to each revised application. Hence, DLECs have been unable to process *any* line-shared loop orders in all of Pacific Bell territory. The damage done to DLECs' line sharing effort is immeasurable. At this point, DLECs can only hope that Pacific Bell meets its belated commitments to make line sharing available for DLECs and their yet-to-be-served customers.

DLECs' experience with GTEC, although not entirely preclusive of line sharing, has not been encouraging either. GTEC, unlike other ILECs throughout the country, fails to provide confirmation or allow physical inspection when a central office is allegedly completed and ready. Consequently, DLECs have been forced to take GTEC's word that such work has been completed. The problems with such a process, if it can be called such, are obvious. DLECs simply have no way to verify if a central office is ready for line sharing, which understandably discourages DLECs from submitting line sharing orders. If GTEC is incorrect and the central office is not ready, DLECs, not GTEC, risks the loss of an upset customer who cannot be provisioned as DLECs have committed. Common business sense demands a conservative approach to line sharing when DLECs are unsure and unable to confirm whether its incumbent

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provider has performed its obligations. The required conservatism damages both DLECs and the residents of California who still await competitive line sharing. The DLECs, therefore, strongly encourage the CPUC to remedy this barrier to entry by requiring GTE to provide a physical inspection and/or confirmation of central office completion.

**B. Difficulties Placing Orders for Line Sharing**

DLECs have encountered crippling problems trying to place orders for line sharing in California. Specifically, Pacific has only recently made available a stable EDI ordering systems for DLECs to use. Pacific has made numerous changes over the past month to its EDI system, with no or little notice, making it almost impossible for DLECs to use EDI ordering systems to place line sharing orders.

Additionally, Pacific has implemented a non-standard LSR ordering system that has caused DLECs to rework their own ordering systems, at substantial delay and expense. Pacific has elected to use a non-standard method of specifying carrier facility assignments ("CFAs") on local service requests ("LSRs"). The standard method of specifying CFAs is to provide codes representing the voice cable to the splitter and the cable pair return to the MDF. However, Pacific requires a non-standard third field – the location of the splitter. In addition, Pacific uses non-standard codes to specify these cable assignments. This non-standard approach has caused the DLECs to have to rework their electronic ordering systems, and have made it impossible to place mechanized orders for line shared loops until the changes were accomplished.

**C. Refusal to Allow Line Sharing at Adjacent Collocation Locations**

Pacific has rejected numerous DLEC orders for line sharing on the basis that adjacent collocation sites are not eligible for line sharing. Pacific has provided no legal basis for this position, and no notice that it would reject DLEC orders on this basis. The DLECs are unaware

of any basis in the Commission's Interim Opinion, or the FCC's Line Sharing Order that allows rejection of line sharing orders based on the type of collocation utilized by the DLEC.

#### **IV. CONCLUSION**

The DLECs are hopeful that the Commission is as disturbed by the complete lack of provisioning of line shared loops in California for competitors. Undoubtedly Pacific Bell and GTE will try to assign blame to data CLECs for the slow pace of line sharing in California. That argument might carry weight if even one competitor (not an ILEC affiliate) were able to deploy line sharing at any reasonable level with the two incumbents. Unfortunately, all three of the nation's largest DSL CLECs have encountered technical and operational difficulties, resulting in delayed deployment of competitive line sharing. Such delay is especially troubling as Pacific Bell's affiliate, ASI, continues to deploy line-shared DSL at an ever-increasing pace.

Despite these problems, Covad, Rhythms and NorthPoint remain committed to implementing line shared DSL throughout California this year. The DSL CLECs, however, need a competitor friendly environment in which to deploy. Such an environment must include reasonably priced line sharing UNEs to compete with ASI's decreasing ADSL prices. The extremely disturbing numbers reflected in this report only demonstrate how important it is for this Commission to establish terms and conditions for line sharing that do more than provide a technically feasible method to line share. A technically feasible line sharing method does not necessarily result in a competition-friendly atmosphere. The Commission's decisions need to open the ILECs' networks in a full and fair manner operationally and economically. As the Commission conducts the final phase of the line sharing arbitration, it should keep in mind that for better or worse, its decisions will have a long lasting impact on the ability of competitors line sharing competition in California.

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Dated: July 20, 2000

Respectfully submitted,

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## Certificate of Service

I, Lonzena Rogers, do hereby certify, that on this second day of November, 2000, I have caused to be served by first class United States Postage, hand delivery or facsimile, a true and correct copy of WorldCom, Inc.'s Petition for Reconsideration of the Modification of the SBC/Ameritech Merger Conditions (CC Docket 98-141, ASD File No. 99-49) on the following:

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